However, a number of steps have been taken to reduce incidents of frauds in banks. Reserve Bank of India, as a part of its supervisory process, has been sensitizing banks from time to time about common fraud prone areas, *modus operandi* and the measures to be taken by them to prevent/reduce the incidents of frauds in banks. RBI has issued guidelines to banks on credit operations which were consolidated in a master Circular dated 2.7.2007. In terms of this Circular, banks should independently assess the credit risk while issuing credit cards to customers. While issuing the cards, the terms and conditions for issue and usage of a credit card should be mentioned in clear and simple language (preferably in English, Hindi and local language) comprehensible to the credit card user. As per the master Circular, the most important terms and conditions (termed as 'standard set of conditions') should be highlighted and advertised/sent separately to the prospective customer at all stages i.e. during marketing, at the time of application, at the acceptance stage and in important subsequent communications.

RBI has also taken various measures to prevent bank frauds and in particular has advised bank to introduce a system of concurrent audit covering branches accounting for 50% of their business (Deposit & Advances), prescribed detailed Know Your Customer (KYC) norms, advised banks to constitute a Special Committee of the Board for exclusive monitoring of large value frauds of Rs. One crore and above and to set up Fraud Prevention Committee/ Task Forces. RBI has further advised the banks to follow due diligence in their Human Resource Policy and Accounting systems and procedures with a view to prevent frauds.

Life and mediclaim insurance policies

*98. SHRI HARISH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether Government plans to ensure that different insurance companies bring out some policies of life insurance and medical insurance at much cheaper rate from time to time;

(b) whether Government plans to cover every citizen of the country under medical insurance in some form or the other;

(c) if so, the details thereof; and

(d) if not, what is the percentage of people expected to be under mediclaim in the country?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Insurance companies are free to introduce life insurance and health insurance products keeping in view the demand factors and financial viability with the approval of the Insurance Regulatory Development Authority (IRDA) under file and use guidelines. However, the Government of India (GOI) subsidies the premia in respect of certain categories of beneficiaries. Micro Insurance Regulations of IRDA also encourage the availability of low cost insurance plans.

(b) to (d) Important features of some initiatives taken by the Government for providing health insurance at subsidised rates are as under:

(i) The Rashtriya Swasthya Bima Yojana will cover an estimated 6 crore below poverty line (BPL) households in the unorganized sector over the next 5 years beginning 1st April, 2008. The scheme provides for hospitalization cover upto Rs. 30,000/- per family (a unit of five) per annum on a floater basis with the premium being shared by GOI and the State Government in the ratio of 75:25 respectively subject to the GOI's contribution being limited to Rs. 565/- per family per annum. The beneficiary will pay only Rs. 30 towards registration/renewal fee.

(ii) The National Rural Health Mission of Ministry of Health and Family Welfare has advised States to prepare need-basd, community-oriented, innovative and flexible insurance policies to cover BPL families for which a subsidy of 75% of the premium subject to a limit of Rs. 300 per family is payable by Government of India.

(iii) The Universal Health Insurance Scheme (UHIS) covers hospitalization benefits upto a limit of Rs.30,000/- for a BPL family on floater basis. The premium is Rs. 365 for an individual, Rs.548 for a family of five members and Rs.730 for a family of seven members with GOI subsidy of Rs. 200 for an individual, Rs. 300 for a family of five and Rs. 400 for a family of seven.

(iv) Rajiv Gandhi Shilpi Swasthya Bima Yojana (RGSSBY) of the Ministry of Textiles proposes to cover 8.82 lakh artisan families during 2007-08 and 40 lakh artisans during the Eleventh Five Year Plan with medicare facilities up to a maximum of Rs.15,000/- per annum for artisans, his/her spouse and two children at an annual premium of Rs. 900/- (including Service Tax) of which Rs.150/- is to be contributed by the general category artisans and Rs. 75/- by artisans belonging to North-Eastern Region and Scheduled Caste/Scheduled Tribe comunities/BPL families and the remaining amount is contributed by GOI.

(v) Handloom Weavers Comprehensive Welfare Scheme of the Ministry of Textiles provides health insurance to cover the weavers along with spouse and two children for a sum insured of Rs.15,000/- at an annual premium of Rs. 781.60 with GOI contributing Rs. 642.47 and the balance of Rs.139.13 being shared by the State Government and the beneficiaries subject to a minimum of Rs. 50 payable by the beneficiary.

Other than the above, insurance companies have commercial medical insurance plans at actuarial premiums which are available to the general population and the coverage under this plan was approximately 2.20% of the population (25 million people) in March, 2007.

Insider trading in stock markets

*99. SHRI D. RAJA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that massive insider trading happens in the Indian Stock Markets;

(b) if so, to what extent the Securities and Exchange Board of India (SEBI) has been able to detect such insider trading in the last two years;

(c) whether small investors have become victims of crony capitalism and insider trading in the Indian economy; and

(d) the steps likely to be taken to apprehend such culprits and protect the small investors in the near future?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) SEBI has stated that it does not have evidence to indicate massive insider trading happening in the Indian securities markets.

(b) During the last two years, SEBI has initiated actions in 39 cases for insider trading.

(c) and (d) Insider trading is an offence punishable under the SEBI Act, 1992 and the SEBI (Prohibition of Insider Trading) Regulations, 1992. The Act and Regulations have provisions aiming to reduce the incidence of insider trading and to empower SEBI to take appropriate